

BUSINESS REPORT

**MONTANA HOUSE OF REPRESENTATIVES
61st LEGISLATURE - REGULAR SESSION**

HOUSE FEDERAL RELATIONS, ENERGY, AND TELECOMMUNICATIONS COMMITTEE

Date: Friday, April 17, 2009
Place: Capitol

Time: 12:00 pm
Room: 172

BILLS and RESOLUTIONS HEARD:

Prefix (HB, HR, HJR, SB, SR, or SJR) and number. Add Postponed (PP) when appropriate:


_____	_____	_____	_____
_____	_____	_____	_____

EXECUTIVE ACTION TAKEN:

Prefix (HB, HR, HJR, SB, SR, or SJR) and number. Enter P(pass) F(failed) DPAA (do pass as amended) BC(be concurred in) BCAA (be concurred in as amended):

<u>SB 498 BCAA</u>	<u>SB 475 BCAA</u>	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

COMMENTS:



REP. Art Noonan, Chairman

HOUSE OF REPRESENTATIVES
Roll Call
FEDERAL RELATIONS, ENERGY, & TELECOMMUNICATIONS
COMMITTEE

DATE: 4/17/09

<u>NAME</u>	<u>PRESENT</u>	<u>ABSENT/EXCUSED</u>
Vice Chair Driscoll	X	
Vice Chair Klock	X	
Representative Augare		X
Representative Boland	X	
Representative Jones		X
Representative Jopek	X	
Representative MacClaren	X	
Representative O'Hara	X	
Representative Phillips	X	
Representative Regier	X	
Representative Reichner	X	
Representative Stahl	X	
Representative Wiseman	X	
Chairman Noonan	X	

HOUSE OF REPRESENTATIVES
Roll Call Vote
FEDERAL RELATIONS, ENERGY, & TELECOMMUNICATIONS
COMMITTEE

DATE 4/17/09 BILL NO SB 498 MOTION NO. _____
 MOTION: BE AMENDED (SB 0498 37. ASN)

<u>NAME</u>	AYE	NO	If Proxy Vote, check here & include signed Proxy Form with minutes
Vice Chair Driscoll	1		
Vice Chair Klock		1	
Representative Augare	2P		
Representative Boland	3		
Representative Jones		2P	
Representative Jopek	4		
Representative MacClaren		3	
Representative O'Hara		4	
Representative Phillips	5		
Representative Regier		5	
Representative Reichner		6	
Representative Stahl		7	
Representative Wiseman	6		
Chairman Noonan	7		

HOUSE OF REPRESENTATIVES
Roll Call Vote
FEDERAL RELATIONS, ENERGY, & TELECOMMUNICATIONS
COMMITTEE

DATE 4/17/09 BILL NO SB 498 MOTION NO. _____
 MOTION: BE AMENDED (SB 0498 SS.ASN)

<u>NAME</u>	AYE	NO	If Proxy Vote, check here & include signed Proxy Form with minutes
Vice Chair Driscoll	1		
Vice Chair Klock		1	
Representative Augare	2P		
Representative Boland	3		
Representative Jones		2P	
Representative Jopek	4		
Representative MacClaren		3	
Representative O'Hara		4	
Representative Phillips	5		
Representative Regier		5	
Representative Reichner		6	
Representative Stahl		7	
Representative Wiseman	6		
Chairman Noonan	7		

HOUSE OF REPRESENTATIVES
Roll Call Vote
FEDERAL RELATIONS, ENERGY, & TELECOMMUNICATIONS
COMMITTEE

DATE 4/17/09 BILL NO SB 498 MOTION NO. _____
 MOTION: BE AMENDED (SB 0498 37. ASN)

<u>NAME</u>	AYE	NO	If Proxy Vote, check here & include signed Proxy Form with minutes
Vice Chair Driscoll	1		
Vice Chair Klock		1	
Representative Augare	2P		
Representative Boland	3		
Representative Jones		2P	
Representative Jopek	4		
Representative MacClaren		3	
Representative O'Hara		4	
Representative Phillips	3		
Representative Regier		5	
Representative Reichner		6	
Representative Stahl		7	
Representative Wiseman	6		
Chairman Noonan	7		

HOUSE OF REPRESENTATIVES
Roll Call Vote
FEDERAL RELATIONS, ENERGY, & TELECOMMUNICATIONS
COMMITTEE

DATE 4/15/09 BILL NO SB 498 MOTION NO. _____
MOTION: BE AMENDED (SB049832.ASN)

<u>NAME</u>	AYE	NO	If Proxy Vote, check here & include signed Proxy Form with minutes
Vice Chair Driscoll	1		
Vice Chair Klock	2		
Representative Augare	3P		
Representative Boland	4		
Representative Jones	5P		
Representative Jopek	6		
Representative MacClaren	7		
Representative O'Hara	8		
Representative Phillips	9		
Representative Regier		1	
Representative Reichner	10		
Representative Stahl		2	
Representative Wiseman	11		
Chairman Noonan	12		

HOUSE OF REPRESENTATIVES
Roll Call Vote
FEDERAL RELATIONS, ENERGY, & TELECOMMUNICATIONS
COMMITTEE

DATE 4/17/09 BILL NO SB498 MOTION NO. _____
MOTION: BE AMENDED (SB049827.ASN)

<u>NAME</u>	AYE	NO	If Proxy Vote, check here & include signed Proxy Form with minutes
Vice Chair Driscoll		1	
Vice Chair Klock	1		
Representative Augare	2P		
Representative Boland	3		
Representative Jones	4P		
Representative Jopek		2	
Representative MacClaren		3	
Representative O'Hara	5		
Representative Phillips	6		
Representative Regier	7P		
Representative Reichner	8		
Representative Stahl		4	
Representative Wiseman		5	
Chairman Noonan	9		

HOUSE OF REPRESENTATIVES
Roll Call Vote
FEDERAL RELATIONS, ENERGY, & TELECOMMUNICATIONS
COMMITTEE

DATE 4/17/09 BILL NO SB 498 MOTION NO. _____
MOTION: BE CONCURRED IN AS AMENDED

<u>NAME</u>	<u>AYE</u>	<u>NO</u>	If Proxy Vote, check here & include signed Proxy Form with minutes
Vice Chair Driscoll		1	
Vice Chair Klock	1		
Representative Augare	2P		
Representative Boland	3		
Representative Jones	4P		
Representative Jopek		2	
Representative MacClaren	5		
Representative O'Hara	6		
Representative Phillips	7		
Representative Regier	8		
Representative Reichner	9		
Representative Stahl		3	
Representative Wiseman		4	
Chairman Noonan	10		

HOUSE OF REPRESENTATIVES
Roll Call Vote
FEDERAL RELATIONS, ENERGY, & TELECOMMUNICATIONS
COMMITTEE

DATE 4/17/09 BILL NO. _____ MOTION NO. _____
 MOTION: ADJOURN

<u>NAME</u>	AYE	NO	If Proxy Vote, check here & include signed Proxy Form with minutes
Vice Chair Driscoll	1		
Vice Chair Klock		1	
Representative Augare	2P		
Representative Boland	3		
Representative Jones		2P	
Representative Jopek	4		
Representative MacClaren		3	
Representative O'Hara		4	
Representative Phillips	5		
Representative Regier		5	
Representative Reichner		6	
Representative Stahl		7	
Representative Wiseman	6		
Chairman Noonan	7		

HOUSE OF REPRESENTATIVES
Roll Call Vote
FEDERAL RELATIONS, ENERGY, & TELECOMMUNICATIONS
COMMITTEE

DATE 4/17/09 BILL NO SB475 MOTION NO. _____
 MOTION: BE CONCURRED IN AS AMENDED

<u>NAME</u>	AYE	NO	If Proxy Vote, check here & include signed Proxy Form with minutes
Vice Chair Driscoll	1		
Vice Chair Klock	2		
Representative Augare		1P	
Representative Boland		2	
Representative Jones	3P		
Representative Jopek		3	
Representative MacClaren	4		
Representative O'Hara	5		
Representative Phillips		4	
Representative Regier	6		
Representative Reichner	7		
Representative Stahl	8		
Representative Wiseman		5	
Chairman Noonan		6	



HOUSE STANDING COMMITTEE REPORT

April 18, 2009

Page 1 of 6

Mr. Speaker:

We, your committee on **Federal Relations, Energy, and Telecommunications** recommend that **Senate Bill 498** (third reading copy – blue) be concurred in as amended.

Signed: _____

Art Noonan
Representative Art Noonan, Chair

To be carried by Representative Mike Phillips

And, that such amendments read:

1. Title, page 1, line 18.

Following: "82-11-111,"

Insert: "82-11-118,"

2. Page 2.

Following: line 21

Insert: "(3) If the ownership of the geologic storage reservoir cannot be determined from the deeds or severance documents related to the property by reviewing statutory or common law, it is presumed that the surface owner owns the geologic storage reservoir."

3. Page 3, line 4.

Following: "pursuant to"

Insert: "[section 5(2)(b)] and"

4. Page 3, line 5.

Following: "(1)"

Insert: "of this section"

5. Page 3, line 6 through line 7.

Strike: ", to" on line 6 through "82-11-136(2)" on line 7

6. Page 3, line 14.

Committee Vote:

Yes 10, No 4

Fiscal Note Required ____

SB0498001SC05156.hjd

Following: "the"

Insert: "stored"

7. Page 3, line 16.

Strike: "4(7)"

Insert: "4(8)"

8. Page 3, line 17.

Following: the second "the"

Insert: "injected or stored"

Strike: "contained in the reservoir"

9. Page 3.

Following: line 19

Insert: "(3) For the purposes of [section 4] and this section,
"title" includes title to the geologic storage reservoir and
the stored carbon dioxide."

10. Page 5, line 3.

Following: "BOARD"

Strike: "MAY"

Insert: ": (a) shall"

Following: "(4)"

Insert: "of this section"

11. Page 5, line 4.

Strike: ":

12. Page 5, line 5.

Strike: "(A)"

13. Page 5, line 6.

Following: "(B)"

Insert: "may, pursuant to 82-11-111, adopt"

14. Page 5, line 7.

Strike: "10"

Insert: "15"

15. Page 5, line 11.

Strike: "IS REASONABLY EXPECTED TO"

Insert: "will"

16. Page 5, line 19.

Strike: "BE UNLIKELY TO"

Insert: "not"

17. Page 5, line 21.

Strike: "10"

Insert: "15"

18. Page 5, line 28.

Strike: ", IN" through "OPERATOR,"

19. Page 5, line 29.

Strike: "MONITOR"

Insert: "ensure adequate monitoring by the operator of"

Strike: "10"

Insert: "15"

20. Page 6, line 1.

Following: "(7)(C),"

Insert: "if"

Following: "OPERATOR"

Insert: "has title to the geologic storage reservoir and the
stored carbon dioxide, the geologic storage operator"

21. Page 6, line 3 through line 4.

Following: "SHOW"

Strike: ", TO" on line 3 through "BOARD," on line 4

22. Page 6, line 6.

Strike: "IS REASONABLY EXPECTED TO"

Insert: "will"

23. Page 6, line 10 through line 11.

Strike: lines 10 and 11

Insert: "(ii) The board shall make a recommendation to the board
of land commissioners as to whether title should transfer to
the state.

(iii) Notwithstanding subsections (7)(c)(i) and (7)(c)(ii),
the board of land commissioners shall make the final decision on
the transfer of title."

24. Page 6, line 15.

Following: "THE"

Insert: "geologic storage reservoir and the"

25. Page 6, line 18.

Following: "RESERVOIR"

Insert: "and the stored carbon dioxide"

26. Page 6, line 20.

Following: "RESERVOIR"

Insert: "and the stored carbon dioxide"

27. Page 6, line 22.

Following: "RESERVOIRS"

Insert: "and stored carbon dioxide"

28. Page 6, line 28.

Strike: "10"

Insert: "15"

29. Page 6, line 30.

Strike: "(7)"

Insert: "(8)"

30. Page 7, line 1.

Following: "[SECTION 2(1)]"

Insert: "or [section 5(2)(b)]"

31. Page 7, line 7.

Following: "(2)"

Insert: "(a)"

32. Page 7, line 8.

Following: "wells."

Insert: "The rules must be in accordance with all application, permitting, and regulatory requirements for carbon dioxide injection wells pursuant to this part."

(b) The rules must include provisions for a fee to be paid by the owner of a converted well in an amount equivalent to the fee required to be paid by a geologic storage operator pursuant to [section 2(1)]."

33. Page 7, line 10.

Following: "chapter"

Insert: ", including requirements for bonding or other surety, the issuance of a certificate of completion, and acceptance or transfer of liability"

34. Page 11, line 2.

Following: "within"

Insert: "the boundaries of"

35. Page 16, line 8.

Strike: "fluids"

Insert: "carbon dioxide"

36. Page 17, line 2.

Following: "(12)"

Insert: "(a)"

37. Page 17, line 3.

Strike: "oil and gas"

Insert: "vacant or filled"

38. Page 17.

Following: line 4

Insert: "(b) The term does not include a natural gas storage reservoir. However, the owner of a natural gas storage reservoir may convert a depleted natural gas storage reservoir into a geologic storage reservoir to be used pursuant to Title 82, chapter 11, parts 1 and 2."

39. Page 19, line 23.

Following: "82-11-123"

Strike: " ; "

Insert: ". If a permit for a carbon dioxide injection well is revoked, an operator may not seek a refund of application or permitting fees or fees paid pursuant to [section 2] or [section 5(2) (b)]."

40. Page 20, line 18.

Strike: "For"

Insert: "Solely for"

Following: "wells"

Insert: "under this part"

Following: the second "dioxide"

Insert: "within a geologic storage reservoir"

41. Page 20.

Following: line 19

Insert: "Section 15. Section 82-11-118, MCA, is amended to read:

"82-11-118. **Fees for processing applications.** (1) The board shall establish a fee schedule to defray the expenses incurred for processing an application from a geologic storage operator or an operator or producer of oil seeking approval of a new or expanded enhanced recovery project, as defined in 15-36-303. The fee must be paid by the owner, geologic storage operator, or operator seeking approval of the project.

(2) The board shall, by rule, determine the amount of the fee based on the complexity of processing the application."

Renumber: subsequent sections

42. Page 21, line 9 through line 10.

Strike: "carbon dioxide storage properties"

Insert: "geologic storage reservoirs"

43. Page 22, line 6.

Strike: "4(7)"

Insert: "4(8)"

44. Page 22, line 7 through line 8.

Strike: "and" on line 7 through "completion" on line 8

45. Page 22, line 27.

Strike: "and"

Insert: "(e) adequate baseline monitoring of drinking water wells within 1 mile of the perimeter of the geologic storage reservoir; and"

46. Page 22, line 28.

Strike: "(e)"

Insert: "(f)"

47. Page 24, line 7 through line 8.

Strike: "and" on line 7 through "[SECTION 2]" on line 8

48. Page 28, line 19.

Strike: "4(7)"

Insert: "4(8)"

49. Page 29, line 14.

Strike: "25"

Insert: "26"

50. Page 29, line 17.

Strike: "26"

Insert: "27"

Strike: "29"

Insert: "30"

- END -



HOUSE STANDING COMMITTEE REPORT

April 18, 2009

Page 1 of 2

Mr. Speaker:

We, your committee on **Federal Relations, Energy, and Telecommunications** recommend that **Senate Bill 475** (third reading copy – blue) be concurred in as amended.

Signed: _____

Representative Art Noonan, Chair

To be carried by Representative Robyn Driscoll

And, that such amendments read:

1. Page 2.

Following: line 10

Insert: "COORDINATION SECTION. Section 4. Coordination instruction. If both House Bill No. 425 and [this act] are passed and approved, then [section 1] of House Bill No. 425 and [section 1 of this act] are void and [section 1] must read as follows:

"NEW SECTION. Section 1. Notice of lease sale required.

(1) Within 15 days of the previous oil and gas lease sale, the department shall publish the date and place of the upcoming sale in a publication of general circulation in Montana and on the department's website.

(2) (a) The department shall accept nominations of tracts for an upcoming sale until 77 days prior to the date of the sale.

(b) Upon receipt of a nomination by the department, the location of the tracts is public information.

(3) At least twice, the department shall publish in a publication of general circulation in Montana and on the department's website a notice containing the time and place of the sale, a statement that all sales will be by competitive oral bidding, and the number of tracts in each county offered for sale at the time of the notice. The notice must be published:

(a) not less than 63 days before the date of an upcoming sale; and

(b) between 21 days and 35 days before the date of the sale.

Committee Vote:

Yes 8, No 6

Fiscal Note Required ____

SB0475001SC03852.hjd

(4) In a publication of general circulation in each county where a tract is nominated for sale, the department shall publish a notice in compliance with the provisions and timeframes of subsection (3), except that each notice must contain the number of tracts nominated for sale in that county and notice that a description and maps of tracts nominated are available on the department's website.

(5) The department shall publish on its website a description and maps of tracts to be offered for sale.

(6) (a) Except as provided in subsection (6)(b), the department shall provide notice by first-class mail to the surface owner of a tract being offered for sale using the most current known property owners of record as shown in the records of the county clerk and recorder of the county where the tract is located.

(b) The notice in subsection (6)(a) is not required if the surface is managed by the department pursuant to Title 77, chapter 1.

(7) The notice required by subsection ~~(5)~~ (6) must contain the time and place of the sale, a statement that all sales will be by competitive oral bidding, and a description and area map of each tract offered for sale that initiated the notice requirements of subsection (6)."

"

- END -

AUTHORIZED COMMITTEE PROXY

I request to be excused from the FRET

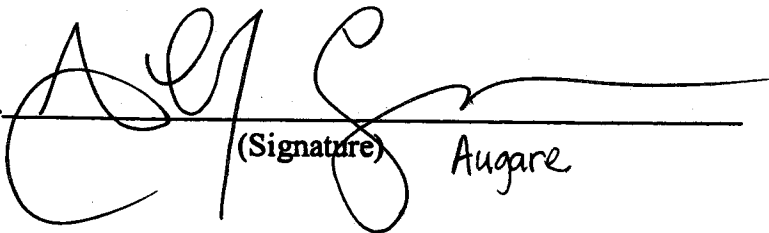
Committee because of other commitments. I desire to leave my proxy vote with:

Driscoll

Indicate Bill number and your vote Aye or No. If there are amendments, list them by name and number under the bill and indicate a separate vote for each amendment.

BILL/AMENDMENT	AYE	NO	BILL/AMENDMENT	AYE	NO
SB049837.95n	✓				
SB049835.95n	✓				
SB049820.95n	✓				
SB049832.95n	✓				
SB049833.95n	✓				
SB049831.95n	✓				
SB049826.95n	✓				
SB049827.95n	✓				
SB498	✓				
SB SB475		✓			
To adjourn	✓				

Rep.


(Signature) Augare

Date

4/17/09

AUTHORIZED COMMITTEE PROXY

JONES

I request to be excused from the FRET

Committee because of other commitments. I desire to leave my proxy vote with:

H KLOCK

Indicate Bill number and your vote Aye or No. If there are amendments, list them by name and number under the bill and indicate a separate vote for each amendment.

BILL/AMENDMENT	AYE	NO	BILL/AMENDMENT	AYE	NO
SB 498 49837		X			
49835		X			
49820	X				
49832	X				
49833	X				
49831	X				
49826	X				
49827	X				
BILL AS AMEND	X				
SB 475	X				
ADJOURN		X			

Rep. _____

(Signature)

Date

4-17-09

~~3-30-09~~

AUTHORIZED COMMITTEE PROXY

I request to be excused from the FRET

Committee because of other commitments. I desire to leave my proxy vote with:

V.C. HARRY KLOCK

Indicate Bill number and your vote Aye or No. If there are amendments, list them by name and number under the bill and indicate a separate vote for each amendment.

BILL/AMENDMENT	AYE	NO	BILL/AMENDMENT	AYE	NO
SB 498 49837		X			
49835		X			
49833	X				
49831	X				
49826	X				
49827	X				
BILL AS AMEND	X				
RESOUR		X			

Rep. Kurt Regin
(Signature)

Date 4-17-09